

CONTRACT AWARD NOTIFICATION
ANNUAL REQUIREMENTS FOR
KNOLL EQUITY FURNITURE SYSTEMS, INTERACTION
TABLES & KNOLL EXTRA/ORCHASTRA
[NEBRASKA #OC 10628]

DATE: November 2, 2005

CONTRACT PERIOD: Oct.1,2005 thru Sept.30,2006

PURCHASING DIVISION
K-STREET COMPLEX
440 SOUTH 8TH STREET
LINCOLN, NEBRASKA 68508
(402) 441-7410

CONTRACTOR: Surroundings- A Radway, Corp.
A Knoll Dealer
221 Sun Valley Blvd., Ste. A
Lincoln, NE 68528

Company Representative: John Radway
Telephone No.: 402/441-5506
FAX No.: 402/441-5511

CONTRACTOR: Knoll, Inc.
1235 Water Street
P.O. Box 157
E.Greenville, PA 18041

Company Representative: Andrew F. Pierce
Telephone No.: 215/679-1025
FAX No.: 215/679-3904

THE CITY/COUNTY'S SPECIFICATIONS AND THE CONTRACTOR'S ACCEPTED PROPOSAL AND PRICING SCHEDULES, NOW ON FILE IN THE OFFICE OF THE CITY CLERK AND/OR THE COUNTY CLERK, ARE ADOPTED BY REFERENCE AND ARE AS FULLY A PART OF THIS CONTRACT FOR THE ABOVE-NAMED COMMODITY AS IF REPEATED VERBATIM HEREIN.

AS PER STATE OF NEBRASKA
CONTRACT 10628 OC

Prices are based upon GSA Contracts GS-28F-8029H from
Knoll Equity Price List - 2005, Knoll Interaction Price List - 2005 and Knoll
Extrac Price List 2005

NO ACTION NEED BE TAKEN BY THE CONTRACTOR AT THIS TIME. ORDERS FOR MATERIAL WILL BE MADE AS NEEDED BY THE VARIOUS CITY/COUNTY DEPARTMENTS.

DEPARTMENTS REQUIRING CATALOGS AND/OR PRICING SCHEDULES SHALL NOTIFY THE CONTRACTOR DIRECTLY.

EO# 74604
Dated 10/25/05

STATE OF NEBRASKA CONTRACT AWARD

State Purchasing Bureau
301 Centennial Mall South, 1st Floor
Lincoln, Nebraska 68508

OR

P.O. Box 94847
Lincoln, Nebraska 68509-4847
Telephone: (402) 471-2401
Fax: (402) 471-2089

CONTRACT NUMBER
10628 OC

PAGE 1 OF 2	ORDER DATE 09/27/04
BUSINESS UNIT 9000	BUYER MARY LANNING

VENDOR ADDRESS:
KNOLL, INC
1235 WATER ST
PO BOX 157
EAST GREENVILLE PA 18041-0157

AN AWARD HAS BEEN MADE TO THE VENDOR NAMED ABOVE FOR THE FURNISHING OF EQUIPMENT, MATERIAL, OR SUPPLIES AS LISTED BELOW FOR THE PERIOD:

OCTOBER 01, 2005 THROUGH SEPTEMBER 30, 2006

NO ACTION ON THE PART OF THE VENDOR NEEDS TO BE TAKEN AT THIS TIME. ORDERS FOR THE EQUIPMENT OR SUPPLIES WILL BE MADE AS NEEDED BY THE VARIOUS AGENCIES OF THE STATE.

THIS CONTRACT IS NOT AN EXCLUSIVE CONTRACT TO FURNISH THE EQUIPMENT OR SUPPLIES SHOWN BELOW, AND DOES NOT PRECLUDE THE PURCHASE OF SIMILAR ITEMS FROM OTHER SOURCES.

THE STATE RESERVES THE RIGHT TO EXTEND THE PERIOD OF THIS CONTRACT BEYOND THE TERMINATION DATE WHEN MUTUALLY AGREEABLE TO THE VENDOR AND THE STATE OF NEBRASKA.

Vendor shall supply and deliver, FOB Destination, as requested "Knoll Systems Furniture" to all State Agencies as per the attached Contract Terms, Warranty Statement, Restocking Policy and Key Dealer Responsibilities.

List prices are based upon GSA Contracts GS-28F-8029H from the Knoll Equity Price List - 2005, Knoll Interaction Price List - 2005 and Knoll Extra Price List - 2005. List prices are firm unless there is a list price increase to the above referenced GSA Contracts. In this case, the updated GSA list prices shall apply.

This contract is subject to cancellation by either party upon thirty (30) days written notice.

Quantities shown are estimates only and are not to be construed to mean firm quantities. The State of Nebraska reserves the right to increase or decrease any quantities shown. The State of Nebraska may, by mutual consent of the vendor, renew this contract in additional one (1) year increments beyond the expiration date, provided that such intent is made known, in writing, prior to the expiration date of the contract.

Contract supplier or suppliers may honor pricing and extend the contract to political sub-divisions, cities and counties. Terms and conditions of the contract must be met by political sub-divisions, cities and counties.

CONTACT: Andrew F. Pierce, Director, Contract Administration

PHONE: 215-679-1025 FAX: 215-679-3904

THIS IS THE 13th RENEWAL OF THE CONTRACT.

Line	Description	Est. Qty	UM	Unit Price
1	Knoll Extra systems furniture			
2	Knoll Interaction systems furn			
3	Knoll Equity systems furniture			

Mary Lanning
BUYER
Don Mader
MATERIEL ADMINISTRATOR

STANDARD CONDITIONS AND TERMS OF BID SOLICITATION AND OFFER Invitations to Bid and Contract Awards

It is the responsibility of the bidder to check the website for all information relevant to this solicitation to include addenda and/or amendments issued prior to the opening date. Website address: <http://www.das.state.ne.us/material/purchasing/purchasing.htm>

SCOPE- These standard conditions and terms of bid solicitation and acceptance apply in like force to this inquiry and to any subsequent contract resulting therefrom.

PRICES- Prices quoted shall be net, including transportation and delivery charges fully prepaid by the bidder, F.O.B. destination named in the Invitation to Bid. No additional charges will be allowed for packing, packages or partial delivery costs. When an arithmetic error has been made in the extended total, the unit price will govern.

EXECUTION- Bids must be signed in ink by the bidder on the State of Nebraska's Invitation to Bid form. All bids must be typewritten or in ink on the State of Nebraska's Invitation to Bid form. Erasures and alterations must be initialed by the bidder in ink. No telephone or voice bids will be accepted. Failure to comply with these provisions may result in the rejection of the bid.

FACSIMILE DOCUMENTS- The State Purchasing Bureau will only accept facsimile responses to Invitations to Bid on bids under \$25,000 and up to ten (10) pages. However, two party sealed bids containing facsimile pages are acceptable. No direct facsimile solicitation responses will be accepted for a commodity contract.

VALID BID TIME- Bids shall be firm for a minimum of sixty (60) calendar days after the opening date, unless otherwise stipulated by either party in the Invitation to Bid.

DISCOUNTS- Prices quoted shall be inclusive of ALL trade discounts. Cash discount terms of less than thirty (30) days will not be considered as part of the bid. Cash discount periods will be computed from the date of receipt of a properly executed claim voucher or the date of completion of delivery of all items in a satisfactory condition, whichever is later.

PAYMENT- Payment will be made by the responsible agency in conjunction with the State of Nebraska Prompt Payment Act 81-2401 through 2408. The State may request that payment be made electronically instead of by state warrant.

COLLUSIVE BIDDING- The bidder guarantees that the prices quoted have been arrived at without collusion with other eligible bidders and without effort to preclude the State of Nebraska from obtaining the lowest possible competitive price.

LUMP SUM OR ALL OR NONE BIDS- The State reserves the right to purchase item-by-item, by groups or as a total when the State may benefit by so doing. Bidders may submit a bid on an "all or none" or "lump sum" basis but should also submit a bid on an item-by-item basis. The term "all or none" means a conditional bid which requires the purchase of all items on which bids are offered and bidder declines to accept award on individual items; a "lump sum" bid is one in which the bidder offers a lower price than the sum of the individual bids if all items are purchased but agrees to deliver individual items at the prices quoted.

SPECIFICATIONS- Any manufacturer's names, trade names, brand names, information and/or catalog numbers listed in a specification are for reference and not intended to limit competition, but will be used as the standard by which equivalent material offered will be judged. The State Purchasing Director will be the sole judge of equivalency. The bidder may offer any brand which meets or exceeds the specification. When a specific product is required, the Invitation to Bid will so state. Any item bid is to be the latest current model under standard production at the time of order. No used or refurbished equipment will be accepted, unless otherwise stated.

ALTERNATE/EQUIVALENT BIDS- Bidder may offer bids which are at variance from the express specifications of the Invitation to Bid. The State reserves the right to consider and accept such bids if, in the judgement of the State Purchasing Director, the bid will result in goods and/or services equivalent to or better than those which would be supplied in the original bid specifications. Bidders must indicate on the Invitation to Bid the manufacturer's name, number and shall submit with their bid, sketches, descriptive literature and/or complete specifications. Reference to literature submitted with a previous bid will not satisfy this provision. Bids which do not comply with these requirements are subject to rejection. In the absence of any stated deviation or exception, the bid will be accepted as in strict compliance with all terms, conditions and specifications, and the bidder shall be held liable therefore.

SAMPLES- When requested, samples shall be furnished at the bidders expense prior to the opening of the bid, unless otherwise specified. Each sample must be labeled clearly and identify the bidders name, the invitation to bid number and the item number. Samples submitted must be representative of the commodities or equipment which would be delivered if awarded the bid. The State of Nebraska reserves the right to request samples even though this may not have been set forth in the invitation to bid. Samples not destroyed in testing will be returned at bidders expense, if requested, or will be donated to a public institution.

RECYCLING- Preference will be given to items which are manufactured or produced from recycled material or which can be readily reused or recycled after their normal use as per State Statute Section 81-15,159.

LATE BIDS- All bids will be time and date stamped upon receipt by the State Purchasing Bureau, and this shall be the official time and date of receipt. Bids received after the time of the bid opening will be considered late bids and will be returned to the bidder unopened. The State Purchasing Bureau is not responsible for late bids or lost requests due to mail service inadequacies, traffic or other similar reasons.

BID OPENING- Openings shall be public on the date and time specified on the Invitation to Bid form. It is the bidder's responsibility to assure the bid is delivered at the designated date, time and place of the bid opening. Telephone bids are not acceptable. A bid may not be altered after opening of the bids.

NO BID- If not submitting a bid, respond by returning the Invitation to Bid form explaining the reason in the space provided. Failure to respond to an Invitation to Bid may be cause for the removal of the bidder's name from the mailing list. NOTE: To qualify as a respondent, bidder must submit a "NO BID" and it must be received no later than the stated bid opening date and time.

AWARD- All purchases, leases, or contracts which are based on competitive bids will be awarded to the lowest responsible bidder, determined according to the provisions of State Statute Section 81-161, R.R.S. 1943. The State reserves the right to reject any or all bids, wholly or in part and to waive any deviations or errors that are not material, do not invalidate the legitimacy of the bid and do not improve the bidders competitive position. All awards will be made in a manner deemed in the best interest of the State.

BID TABULATIONS- Tabulations will be furnished upon written request. A self-addressed, stamped envelope which must include the agency and solicitation number must be enclosed. Bid tabulations will not be provided by telephone or facsimile. Bid files may be examined during normal working hours by appointment. Bid tabulations are available on the website at: <http://www.das.state.ne.us/material/purchasing/bidtabs.htm>

PERFORMANCE AND DEFAULT- The State reserves the right to require a performance bond from the successful bidder, as provided by law, without expense to the State. Otherwise, in case of default of the contractor, the State may procure the articles from other sources and hold the contractor responsible for any excess cost occasioned thereby.

IN-STATE PREFERENCE- A resident bidder shall be allowed a preference against a nonresident from a state which gives or requires a preference to bidders from that state. The preference shall be equal to the preference given or required by the state of the nonresident bidders. Where the lowest responsible bid from a resident bidder is equal in all respects to one from a nonresident bidder from a state which has no preference law, the resident bidder shall be awarded the contract.

NONDISCRIMINATION- The Nebraska Fair Employment Practice Act prohibits contractors of the State of Nebraska, and their subcontractors, from discriminating against any employee or applicant for employment, to be employed in the performance of such contracts, with respect to hire, tenure, terms, conditions or privileges of employment because of race, color, religion, sex, disability, or national origin. (State Statute Sections 48-1101 through 48-1125) The bidder guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of contract. The contractor shall insert a similar provision in all subcontracts for services to be covered by any contract resulting from this Invitation to Bid.

TAXES- Purchases made by the State of Nebraska are exempt from the payment of Federal Excise Taxes, and exemption certificates will be furnished on request. State and local taxes are exempt by State Statute Section 77-2704 (l) (m) R.R.S. 1943 and must not be included in the bid prices. Exemption by statute precludes the furnishing of State exemption certificates.

DRUG POLICY - Bidder certifies that it maintains a drug free work place environment to ensure worker safety and workplace integrity. Contractor agrees to provide a copy of its drug free workplace policy at any time upon request by the State.

GRIEVANCE AND PROTEST- Grievance and protest procedure is available by contacting the buyer. Protest must be filed within ten (10) days of award.

NE ACCESS TECHNOLOGY STANDARDS- Vendor agrees to ensure compliance with Nebraska Access Technology Standards. See website at: <http://www.nitc.state.ne.us/standards/accessibility/>

STATE OF NEBRASKA CONTRACT TERMS

KNOLL, INC.
Equity Systems, Interaction Tables and KnollExtra

CA-3708 REN (13)
Knoll Ref. #0006222

Equity Systems

Standard Lead Time-3 Weeks ARO plus Transit Time
Extended Lead Time-5 Weeks plus Transit Time
Quantity Discounts-Single Orders

List Price

\$1-\$1,785,714 72% Discount

Interaction Tables

Standard Lead Times-3-8 Weeks plus Transit Time

List Price

\$0-1,250,000 61% Discount

KnollExtra

Standard Lead Time-4-6 Weeks plus Transit Time
Quantity Discount-Single Orders

List Price

\$0-1,612,903 63% Discount

Knoll Now (Quick Ship)

(Only items available through Knoll Now – Items with extended lead times do not qualify).

45% Discount

Renewal Parts

40% Discount

Services

Drop Ship-Product only. Services are additional and negotiated with Knoll Dealer, Surroundings.

Add-On Orders

Add-On orders, up to 10% of the value of the original order are allowed at same discount as original order if within 60 days of original order's ship date (or phased ship date). Order must be identified as an add-on and reference original Purchase Order.

F.O.B

Destination

Freight Charges

Prepaid and Included

Minimum Order

None

Delivery Time

By product line as above. (Allow approximately five (5) days additional for transit time).

Payment Terms

Net 30

Returned Goods

Standard policy: 25% of list restocking charge.

Termination

This contract can be terminated by either party with thirty (30) days written notice.

Restocking Policy The return of Products without a written authorization by Seller shall not be accepted. To receive authorization for Products return, please call Customer Service. All products that are returned pursuant to a valid authorization shall be subject to a 25% of list restocking charge. 50% on standard lead time KnollExtra products. Products not currently offered for sale by Seller (including COM) shall not be authorized for return. All returned Products must be unused, in original condition and in the original Seller packing cartons. No refund or credit shall be given for damaged Products.

KNOLL/SURROUNDINGS PERSONNEL

<u>Representative</u>	<u>Position</u>	<u>Types of Questions/Needs</u>
Jennifer Schwarz Knoll, Inc. Tel: 515-274-8373 Fax: 515-274-3470 Cell: 515-250-3200 jschwarz@knoll.com	Knoll Associate-NE	Warranty Issues. New Product Information, Special Pricing, Special Lead times, Design/Product Orientation, Technical Training, Provide Literature/Updates and Finish Samples.
John Radway Surroundings, LLC Tel: 402-441-5500 Fax: 402-441-5511 Cell: 402-430-6636 jradway@surroundings.biz	Dealer Representative	Develop Cost Estimates on Drawings Submitted; Develop Product Shipment Check-in, Bill of Materials.
Stephanie Kuhn Surroundings, LLC Tel: 402-441-5500 Fax: 402-441-5511	Dealer Designer	Floor Plan Layout, Product Specification, Design
Robyn Vance Surroundings, LLC Tel: 402-441-5500 Fax: 402-441-5511 rvance@surroundings.biz	Dealer Customer Support Representative	Contract Delivery and Installment Service, Product Shipment Check-in, Coordinate Receipt of Shipments, Special Needs, Assist with Claims, P.O.s/ Acknowledgements, Proof P.O.s against Acknowledgments.
Jim Sell Knoll, Inc. Tel: 800-343-5665 X 1039 Fax: 215-679-1374 jsell@knoll.com	Customer Service Representative Order Entry Manager	Order Clarification, Claims Order Tracking, Special Delivery, Special Lead time Arrangements. Initial Entry of Order.